A Study on the Impact of Online Consumer Reviews on Buyers

Actions Related to High-Low Involvement Products

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Abstract

The growth of e-commerce and popularity of internet, more and more people are acclimated toonline shopping, they opt to acquire commodities and services what they need on online. Online purchase became the major means of daily consumption. In this environment, the study of internet consumers' buying behaviour has become the core field of consumer behaviour. A survey found that 97.7% of consumers read relevant reviews before making an online purchase. These reviews, which serve as customer feedback, have a significant influence on future consumers' purchasing

intentions or behaviours. Internet reviews can therefore be a useful source of information for forecasting online

shopping patterns. Additionally, the customer's perception of the risk involved with making an online purchase (how

much danger they perceive there is in choosing a certain brand and how to buy it) affects their intention or choiceto make

a purchase.

keywords: Online purchase behaviour, Online Reviews, Consumer Learning, Experience Goods, Purchase Behaviour.

Introduction

The consumer's purchasing behaviour is referred to as their "consumer buying behaviour." Individuals and consumers are influenced by various aspects, specificities, and qualities, including their own personality traits, shopping habits, purchasing patterns, and the brands they choose to buy or shop at. Every one of those elements does have an impact on the final buying decision. Consumer behaviour is determined by a variety of elements, including a person's personal characteristics such as his or her ethnicity, social class, and affiliations, as well as his or her upbringing, personality traits, and other psychological aspects. For brands, identifying and understanding the factors that influence their customers allows them to develop an efficient strategy, a marketing message (Unique Value Proposition) and advertising campaigns that better meet these same needs of the targeted consumers, are true asset for better meet their customers'

needs to increase sales.

Factors Influencing Consumer Buying Behaviour

Several causes or influences impact the buying behaviour of consumers. They assume they're:

1. Internal or Psychological factors

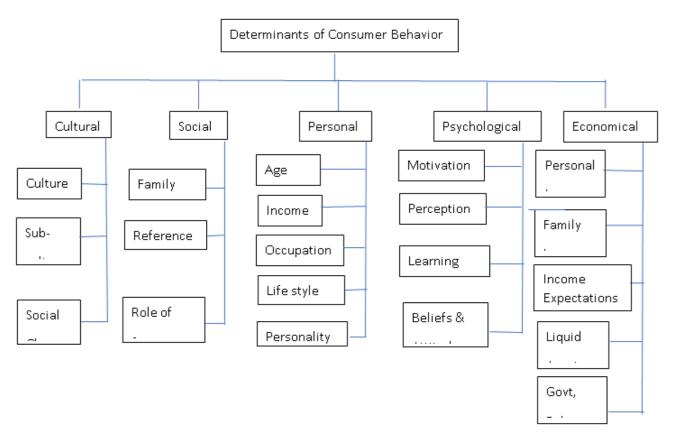
2. Social factors

3. Cultural factors

4. Economic factors

5. Personal factors.

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The understanding of consumer behaviour relies on answers to these five questions.

- i) Who is the market, and how powerful are they in relation For the business?
- ii) What do they buy?
- iii) Why do people purchase?
- iv) Who is responsible for the purchase?
- v) How does one buy??
- vi) When do they purchase?vii)Where do they shop?

While using feedback of all these questions, marketers may better understand how customers respond to marketing messages. The following diagram depicts the stimulus-response model for consumer behaviour.

Marketing Stimuli

ProductPrice Place

Promotion

Other StimuliPolitical Economic Social

Technological



Buyer's Black Box

Buyer's Characteristics

Psychological Social Cultural Economic Personal

Buyer's Decision Process

Problem recognitionInformation search
Evaluation of alternativesPurchase decision
Post purchase behavior



Buyer's Decisions

Product and brand choice Dealer choice Purchase timing Purchase amount

Fig 1: Model of buyer behaviour

Customers' 'black boxes' are said to be stimulated by both external and internal factors, including aspects of the marketing mix, to create a sequence of outputs in the form of purchase choices. It really is the job of the marketing planner to figure out how the "black box" works, and the two most important components to examine are the individual's considerations and the decision processes they employ.

Several causes or influences impact the buying behaviour of consumers. If assume they're:

- **1. Internal or psychological factors:** Several internal or psychological variables affect the purchasing behaviour of customers. Those that matter the most Perception and Motives.
- a) Motivation: "A motivation may be described as a desire or impulse that an individual wants pleasure for," says William J. Stanton. When a person is looking for a way to feel better, it becomes a buying motivation. The two types of desires that can be satisfied by a buying activity are referred to as "core wants" and "secondary wants," respectively, by the term "motive." Motivating oneself to achieve one's goals is a function of one's inner drive. An individual's drive to meet his or her requirements is fueled by motivation. In other words, it becomes an internal component affecting customer behaviour. Whenever the intensity of a need reaches a certain degree, it becomes a motivation. A need that is urgent

enough to motivate someone to act is referred to as a motivation. There are a variety of reasons why someone could have a need.

• A person's physiologic needs Physical situations of stress, such as thirst or hunger, are the primary cause of these feelings.

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- Psychiatric necessities Psychological states of stress, such as a need for attention or regard, are the source of these feelings.
- b) **Perception:** There are many more senses in the human body than just the five mentioned above. For example, in addition to the five fundamental senses (tactile sensations like touch, taste, smell, and vision), there are also more specific ones like balance and direction. Each sense was continually providing information to the brain, which would overload the system if only one absorbed everything at once. As a result, the brain makes choices basedon the stimuli it receives and filters out the unwanted noise. Because of this, the information that enters the brain does not provide you a comprehensive picture of the world surrounding them." Having a worldview, an individual next assembles the remaining knowledge to mapout what's going on in the real world. " By filling in it gaps with inspiration and expertise, they will be able to achieve our goals.

As a result, the cognitive map is more like a mental construct than a true "photograph." Thefollowing aspects will have an impact on this mapping:

1. Subjectivity

That's the individual's pre-existing worldview, then it is unique towards that person.

2. Categorisation

In this way, information is categorized, and events and things are prejudged. Chunking, the organization of information into groups of similar elements, is one way to do this. There are several ways in which memories might be linked together, such as when a person sees a certain image while listening to a particular piece of music.

3. Selectivity

A measure of how much the brain chooses from the environment first. How much of stuff is going on around a person and how selective (focused) they are on the task at hand determine their capacity to concentrate. Some people are more picky than others, but this is just a matter of taste.

4. Expectation

Individuals are influenced by them to interpret future information in a particular manner.

2. Social factors

This species is a sociable one. As a result, the people around us have significant impact onour personality traits. Always looking for feedback from others, researchers rarely do something that isn't considered socially acceptable. The following are examples of social determinants of purchasing decisions: a) Family, b) Reference Groups, c) Roles and status.

3. Cultural factors

Kotler contends that as socialisation is the primary means by which human behaviour is acquired, people acquire their own distinct set of preferences and values through this process, which is shaped by their upbringing in the family and other significant institutions. Researchers as a result develop a set of values that profoundly affect human actions. Success, efficiency, development, material comfort, practicality, individualism, humanitarianism, youth, and pragmatism are among the ideals listed by Schiffman and Kanuk. This broad range of values is influenced to varied degrees by a variety of subcultures, including nationality and religion, racial groups, and geographic locations, through taboos, attitudes, and lifestyles. This broad collection of values.

4. Economic variables

Economic factors have a big impact on consumer behaviour. Numerous economic elements, such as personal income, family income, income expectations, savings, customerliquid assets, consumer credit, and other factors, have an impact on consumer behaviour.

Online shopping and consumer buying behaviourStages in the Buying Process

Figure 2, "Steps in the Consumer's Purchasing Process," depicts many stages customers go through while making a purchasing decision. For the majority of us, we're at some point in the purchase process for a product or service. What kinds of products do they want or need to purchase from the company, how you'll locate the greatest deals, and how and where you'll make your purchases? In the meantime, you're testing out other items you've already purchased. There may be some that are superior than others. What will you do with them if you decide to get rid of them? Then what will you buy? Is there a beginning to that process?

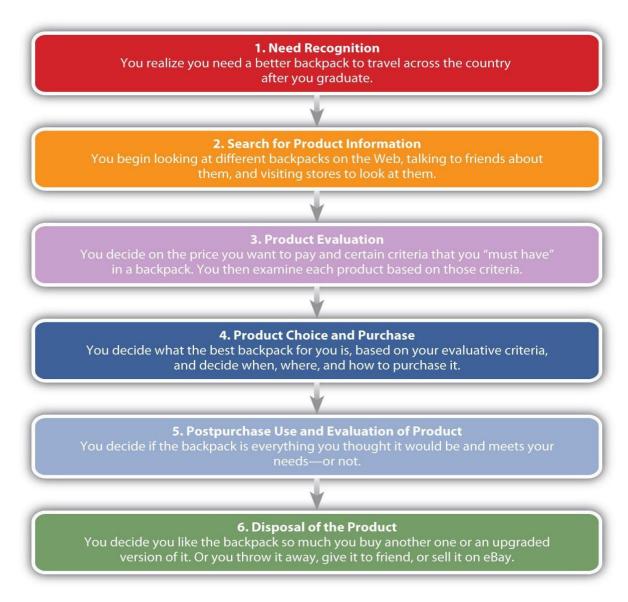


Fig 3:Stages of buying process

Stage 1. Need Recognition

Following graduation, you intend to go backpacking throughout America and don't have a nicebackpack. You've come to terms with the fact that you'll need a new backpack. There is a goodchance that you'll need a car to drive to your new work following graduation. When you run out of bread or milk, for example, or realize that you'll need a new bag or automobile once yougraduate, you've identified a need. Customers want to know how their purchases assist meet their needs and wants, which is why marketers work so hard to demonstrate this to them. Gatorade, PowerAde, or other beverage companies have their vending machines located at gyms, so do you believe it is a coincidence? Another example is movie theater previews. When you first heard about a movie, you had no desire to see it. That is, until you watched the trailer. After reading it, you were compelled to see it.

Stage 2. Search for Information

The supermarket and get extra milk and bread if you perceive the need. In some cases, such as when buying your first automobile or a specific sort of bag, you may want to learn about otheroptions. If you've had a few different backpacks, you probably have an idea of what you like and dislike about each one. Alternatively, there may be a certain brand that you've previously purchased and would like to purchase again. A wonderful position for company that owns brand to be something that corporations aspire for. Why? Because that means more likely to stick with their brand and spend less time looking for alternatives.

If the knowledge you currently have regarding backpacks isn't enough for you, you'll probablykeep looking for more. People frequently ask their close friends, relatives, and neighbours fortheir opinions on the things they've used. If you're looking for unbiased information about a wide range of consumer items, magazines like Consumer Reports or Backpacker Magazine may be of assistance. There are a variety of ways to learn about different types of automobiles.

Stage 3. Product Evaluation

There are, of course, a plethora of bags and automobiles to choose from. I doubt you have the time or want to go over everyone. As a matter of fact, savvy salesmen and marketers understand that offering you an excessive number of alternatives has the potential to drive away potential customers entirely. Consequently, individuals may utilize mental shortcuts such as choosing heuristics or rules of thumb while making decisions. One may also come up with a set of criterions to use in order to reduce your options. Backpacks or autos that fit your first criterionwill define which brands you'll be considering for purchase before the selection process begins.

Stage 4. Product Choice and Purchase

It is possible for customers to go from being aware of a need to acquiring the goods with low-involvement transactions. The choice of a backpack or automobile is made after careful consideration of the various options available to you. You're presumably also deciding on where and how to buy the bag (or vehicle) and on what conditions, in addition to whatever one you want. Even if the backpack was less expensive in one store, the salesperson was nasty. Online purchases may be a better option for someone who doesn't have the time or energy to visit a physical store. During this time, you'll also make other important purchasing decisions, such as whether or not to acquire expensive products. In the case of a high-definition television, one can seek for a retailer that offers a guarantee or a line of credit before making the purchase.

Table 1. Percent of participants who shop online

Sample for the study	Shop Online	Do not shop online	Total (n= 170)
Male	55 (55%)	30 (43%)	85
Female	45 (45%)	40 (57%)	85
Total	100 (59%)	70 (41%)	170

Table 1 makes it clear that, of the 170 individuals examined, 59% of people shop online while just 41% do not. Additionally, 65% more men than women (45%) shop online. In his study, Akhter (2014) also pointed to the same outcomes. According to Akhter (2014), more educated, younger, male, and rich individuals are more likely to make purchases online than less educated, older, female, and less wealthy individuals.

Stage 5. Post-purchase Use and Evaluation

At this stage, individuals may assess if the bag that bought lives up to expectations. They certainly hope so. What's known as post-purchase dissonance can occur if it isn't. What some people term "buyer's regret." Product or service dissatisfaction typically results in dissonance. Dissonance among customers is more likely to occur when things are pricey and purchased only on rare occasions.

Stage 6. Disposal of the Product

It used to be that producers and customers didn't give a second thought to what happened to their items once they were purchased. But things have changed. Consumers and society at large were growing increasingly concerned about how things are disposed of. Leaching chemicals into landfills is a major issue with computers and batteries. Companies are becoming more cognizant of the fact that consumers don't want to harm the environment if they don't have to.

Crystal Light is an example of a water-based beverage that can be purchased at supermarkets. It is available in a bottle form. Many individuals, on the other hand, purchase it in concentrated form, which they then add water to in reusable pitchers or bottles. There is no need to purchase and dispose of plastic bottles, which is bad for the environment. Similar changes have been made to Windex's window cleaner. Rather than constantly purchasing new bottles, you may purchase a concentrate and just dilute it with water. Rather than having to buy new plastic or paper bags every time they go grocery shopping; several supermarkets now provide cloth bagsthat customers can reuse.

Independent consumer review platforms

As an additional option to retail sites, independent review platforms allow customers to post reviews directly on the website instead of (Burtona & Khammash, 2010). As a result, the platform is referred to as "independent" that do not provide any items or services on its website. This website's main purpose is to exhibit various products and services and customer reviews side by side for the purpose of doing side by side comparisons. Since there is no connection to retail businesses, the ownership may be considered public. According to Burtona and Khammash (2010), independent review sites include epinion.com, yelp.com, ciao.co.uk, and tripadvisor.com. Reviewers are permitted to give criticism on any product offered by the platform (Floh et al., 2013). Retail websites frequently feature written, open-ended consumer reviews of a product in addition to aggregated star ratings (Chua & Banerjee, 2015). Some platforms (Huang & Benyoucef, 2013; Wang, 2011) allow users to attach photographs to their evaluations as a means of substantiating their claims.

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A helpfulness method as well as other alternatives for sorting are available on independent review sites as additional

features, as well (Lee J., 2013). An author's profile usually includes the length of membership, number of reviews they

have published, and sometimes even some personal details like their age, gender, or even interests. An review author's

profile on an independent platform can indeed be viewed as having more information about writer & might include

personal data about person, compared to profile on a retail website (Burtona & Khammash, 2010).

Objectives

• To determine how customers' perceptions of the benefits of online shopping impact their online purchasing

habits.

To examine how product awareness effects online purchasing habits of customers.

Scope of the study

Online customer reviews affect consumer perception and behavior. First, organizations must find e-commerce & online

review sites. Companies may widen and deepen their review viewpoint by understanding review function features and

influencing factors. Effective monitoring and other managerial measures can help organizations profit from consumer

feedback. Designing a review platform should integrate customer needs and primary influencing variables. Continued

trend monitoring is very important and may be done by reading future material.

Significance of the study

E-commerce customers have been used to using online review information as a foundation fordeciding whether or not to

purchase a product from an online retailer. Following their purchase, customers will leave their own reviews on e-

commerce websites. Usefulness and trustworthiness are the primary focus of contemporary research into internet

reviews. According to various scholars, internet reviews can be defined in a variety of ways. Reviewers of the online

shopping mall's merchandise have provided both positive and negative feedback.

Limitation

This study has several flaws that can be addressed in future research. The time and resources available to complete the

Bachelor thesis were severely constrained. As a result of a lack of time and money, no comprehensive study could be

carried out. To finish the investigation, a window of 10 weeks was allotted. Not all online opinion forums wherein

reviews take place are eligible for consideration because of this shortcoming. Review platforms and review typeswere

narrowed down through the use of a standard definition.

Statement of the problem

Increased competition for customers' online attention, according to this research. Today's consumers are taken on the

role of part-time salespeople. They're savvy about marketing and want firms to be honest with their customers. Most

people are still afraid about losing money to scams and fraudulent use of their credit or debit cards. Buying behavior also

was influenced by consumers' perceptions of risk, as well as by their prior purchasing experiences.

Expected outcome

There are a slew of compelling arguments for digging further into what makes people feel comfortable purchasing

online. As a marketer, you'll have a better understanding of how customers feel about online shopping and what

influences them to buy online. The results showthat online shopping experiences, product perceptions, payment security,

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and customer servicehave a substantial impact on attitudes regarding online purchasing. Furthermore, it can be seenthat people commonly buy products such as clothing, books, mobile phones, and household appliances. Even if you can access and receive information and products without physically being somewhere, e-commerce is quickly becoming a crucial trend in today's information technology culture. Customers can learn about this trend thanks to this study. Cities are becoming more and more crowded due to the continued growth in global population, which makes commuting during rush hour particularly challenging. This has resulted in more people shopping online because they have less free time.

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